

Fiscal Estimate - 2009 Session

☐ Original
 ☐ Updated
 ☒ Corrected
 ☐ Supplemental

LRB Number 09-3578/1	Introduction Number AB-0462
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="margin-left: 20px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> 1. <input checked="" type="checkbox"/> Increase Costs <div style="margin-left: 20px;"> <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> <div style="margin-left: 20px;"> 3. <input type="checkbox"/> Increase Revenue <div style="margin-left: 20px;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> <div style="width: 33%;"> <div style="margin-left: 20px;"> 2. <input type="checkbox"/> Decrease Costs <div style="margin-left: 20px;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> </div> </div> <div style="margin-left: 20px;"> 4. <input type="checkbox"/> Decrease Revenue <div style="margin-left: 20px;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div>	

5. Types of Local Government Units Affected

☐ Towns
☒ Counties
☐ School Districts

☐ Village
☐ Others
☐ WTCS Districts

☐ Cities

Fiscal Estimate Narratives

DCF 10/13/2009

LRB Number	09-3578/1	Introduction Number	AB-0462	Estimate Type	Corrected
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Current law allows a person who has been convicted or adjudicated delinquent for committing a serious crime to be licensed or certified to operate a day or to be employed by a child care provider if the person has been rehabilitated. This bill prohibits any person who has been convicted or adjudicated delinquent on or after his or her 12th birthday for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition alleging that the person has committed certain serious crimes on or after his or her 12th birthday from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to be a nonclient resident of a premises where child care is provided and prohibits such a person from showing that he or she has been rehabilitated. The bill also requires the Department or overseeing agency to revoke the license or certification of a child care provider if the provider, nonclient resident or caregiver is convicted or adjudicated delinquent of a serious crime after his or her 12th birthday and requires the Department to refuse to pay a child care provider on the date of conviction or adjudication. The bill also requires the Department or overseeing agency to suspend the license or certification of a child care provider if the provider, nonclient resident or caregiver is the subject of a pending criminal charge related to a serious crime after his or her 12th birthday and requires the Department to suspend payment to a child care provider until the final disposition of the charge or delinquency proceeding.

It is estimated that the DCF will need 2.0 LTE positions for six months to process providers who have previously shown rehabilitation, revoke licenses or certification and to find new placement for children currently receiving services from these providers. The estimated one-time cost for compliance with this provision is \$51,200.

Current law currently requires DCF or other overseeing agency to conduct a criminal history search of the child care providers, nonclient residents of the child care premises and all persons under age 18 who are caregivers of the child care provider and to obtain certain other information from various state agencies prior to licensure or certification and every four years thereafter. Current law also requires a child care provider to conduct a criminal history search and obtain certain information regarding a caregiver prior to employing or contracting with the caregiver and every four years thereafter. This bill requires DCF or another overseeing establishment to conduct a criminal history search and to obtain that information with respect to a child care provider every three months after the child care provider is licensed, certified, or contracted with and to conduct that search and obtain that information with respect to a nonclient resident or caregiver under 18 years of age every year after the nonclient resident is permitted to reside at the premises or the caregiver is employed or contracted with. In addition, the bill requires a child care provider to conduct that criminal history search and to obtain that information every year after a caregiver 18 years of age or over is employed or contracted with. In addition to conducting that criminal history search and obtaining that information, the bill requires DCF, a county department, a contracting agency, a school board, or an entity to obtain on those timetables information that is contained in the sex offender registry maintained by the Department of Corrections regarding whether the person has committed a sex offense that is a serious crime.

Currently there are 8,500 licensed and certified providers in the state. The state would be responsible for background checks on 5,400 licensees and 500 certified providers in Milwaukee County for a total of 5,900 providers, with counties responsible for the remaining 2,600 certified providers. Costs for a caregiver criminal history check are currently \$10 per check conducted by the Department or the county and \$21 per check conducted by the licensee on employees.

In addition to the providers, assuming there are on average two nonclient residents or caregivers under the

age of 18 and assuming background checks are done on one-fourth of these providers each year, or 6,375, the annual cost to the Department and counties for these checks is currently estimated at \$63,800, which are then passed through to providers. Under this bill, the number of background checks conducted by the Department and counties would increase to 51,000 annually (quarterly for the provider and annually for nonclient residents or caregivers) at a cost of \$510,000, or \$60 per provider, an increase of \$446,200.

For child care providers with other employees, costs would also increase. While turnover in staff is likely that would reduce the number of background checks conducted every four years after the initial check, assuming the 8,500 licensed and certified providers employ an average of 2.5 people and background checks are done on one-fourth of these employees each year, the number of background checks done by providers currently is estimated at 5,313 annually, at a cost of \$111,600. Under this bill, the number of background checks conducted by the providers would increase to 21,250 at an annual cost of \$446,300, or \$53 per provider, an increase of \$334,700.

To support this annual comprehensive check, the Department will need to develop a database system that will match child care provider addresses with other databases to search for incidents of violations. Once established the matching address database system could be executed quarterly. Estimated costs for the matching address database system include one-time costs of 1,500 hours of programming hours at a rate of \$77 per hour for a total of \$115,000. Ongoing costs to maintain and support the database system is estimated at 400 programming hours at \$77 per hour per year for annual expenditures of \$30,800.

The bill also requires many other DCF activities including follow up on all cases suspected to violate the provisions in the bill, including contacting the appropriate agencies, court systems and even agencies in other states. In addition, the bill requires DCF to coordinate compliance of these provisions with counties, school districts and other overseeing establishments. It is estimated that DCF will need an additional 3.0 FTE at a cost of \$219,600 to comply with the proposed mandates.

Total one-time costs to the Department are estimated at \$166,200. Ongoing costs to the Department and local child care administrative agencies are estimated at \$696,600, of which \$446,200 would be charged back to child care providers. Local agency staff costs may also increase as a result of the increased monitoring requirements.

Long-Range Fiscal Implications

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-3578/1	Introduction Number AB-0462	
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation		
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Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By DCF/ Michael Holland (608) 266-9469	Authorized Signature Robert Nikolay (608) 261-4349	Date 10/9/2009

Fiscal Estimate Narratives

DCF 10/9/2009

LRB Number	09-3578/1	Introduction Number	AB-0462	Estimate Type	Original
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Current law allows a person who has been convicted or adjudicated delinquent for committing a serious crime to be licensed or certified to operate a day or to be employed by a child care provider if the person has been rehabilitated. This bill prohibits any person who has been convicted or adjudicated delinquent on or after his or her 12th birthday for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition alleging that the person has committed certain serious crimes on or after his or her 12th birthday from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to be a nonclient resident of a premises where child care is provided and prohibits such a person from showing that he or she has been rehabilitated. The bill also requires the Department or overseeing agency to revoke the license or certification of a child care provider if the provider, nonclient resident or caregiver is convicted or adjudicated delinquent of a serious crime after his or her 12th birthday and requires the Department to refuse to pay a child care provider on the date of conviction or adjudication. The bill also requires the Department or overseeing agency to suspend the license or certification of a child care provider if the provider, nonclient resident or caregiver is the subject of a pending criminal charge related to a serious crime after his or her 12th birthday and requires the Department to suspend payment to a child care provider until the final disposition of the charge or delinquency proceeding.

It is estimated that the DCF will need 2.0 LTE positions for six months to process providers who have previously shown rehabilitation, revoke licenses or certification and to find new placement for children currently receiving services from these providers. The estimated one-time cost for compliance with this provision is \$51,200.

Current law currently requires DCF or other overseeing agency to conduct a criminal history search of the child care providers, nonclient residents of the child care premises and all persons under age 18 who are caregivers of the child care provider and to obtain certain other information from various state agencies prior to licensure or certification and every four years thereafter. Current law also requires a child care provider to conduct a criminal history search and obtain certain information regarding a caregiver prior to employing or contracting with the caregiver and every four years thereafter. This bill requires DCF or another overseeing establishment to conduct a criminal history search and to obtain that information with respect to a child care provider every three months after the child care provider is licensed, certified, or contracted with and to conduct that search and obtain that information with respect to a nonclient resident or caregiver under 18 years of age every year after the nonclient resident is permitted to reside at the premises or the caregiver is employed or contracted with. In addition, the bill requires a child care provider to conduct that criminal history search and to obtain that information every year after a caregiver 18 years of age or over is employed or contracted with. In addition to conducting that criminal history search and obtaining that information, the bill requires DCF, a county department, a contracting agency, a school board, or an entity to obtain on those timetables information that is contained in the sex offender registry maintained by the Department of Corrections regarding whether the person has committed a sex offense that is a serious crime.

Currently there are 8,500 licensed and certified providers in the state. The state would be responsible for background checks on 5,400 licensees and 500 certified providers in Milwaukee County for a total of 5,900 providers, with counties responsible for the remaining 2,600 certified providers. Costs for a caregiver criminal history check are currently \$10 per check conducted by the Department or the county and \$21 per check conducted by the licensee on employees. In addition to the providers, assuming there are on average two nonclient residents or caregivers under the age of 18 and assuming background checks are done on one-fourth of these providers each year, or 6,375, the annual cost to the Department and counties for these

checks is currently estimated at \$63,800, which are then passed through to providers. Under this bill, the number of background checks conducted by the Department and counties would increase to 102,000 annually at a cost of \$1,020,000, or \$120 per provider, an increase of \$956,200.

For child care providers with other employees, costs would also increase. While turnover in staff is likely that would reduce the number of background checks conducted every four years after the initial check, assuming the 8,500 licensed and certified providers employ an average of 2.5 people and background checks are done on one-fourth of these employees each year, the number of background checks done by providers currently is estimated at 5,313 annually, at a cost of \$111,600. Under this bill, the number of background checks conducted by the providers would increase to 21,250 at an annual cost of \$446,300, or \$53 per provider, an increase of \$334,700.

To support this annual comprehensive check, the Department will need to develop a database system that will match child care provider addresses with other databases to search for incidents of violations. Once established the matching address database system could be executed quarterly. Estimated costs for the matching address database system include one-time costs of 1,500 hours of programming hours at a rate of \$77 per hour for a total of \$115,000. Ongoing costs to maintain and support the database system is estimated at 400 programming hours at \$77 per hour per year for annual expenditures of \$30,800.

The bill also requires many other DCF activities including follow up on all cases suspected to violate the provisions in the bill, including contacting the appropriate agencies, court systems and even agencies in other states. In addition, the bill requires DCF to coordinate compliance of these provisions with counties, school districts and other overseeing establishments. It is estimated that DCF will need an additional 3.0 FTE at a cost of \$219,600 to comply with the proposed mandates.

Total one-time costs to the Department are estimated at \$166,200. Ongoing costs to the Department and local child care administrative agencies are estimated at \$1,206,600, of which \$956,200 would be charged back to child care providers. Local agency staff costs may also increase as a result of the increased monitoring requirements.

Long-Range Fiscal Implications

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
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LRB Number 09-3578/1	Introduction Number AB-0462	
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation		
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Agency/Prepared By DHS/ Elaine Velez (608) 266-9363	Authorized Signature Andy Forsaith (608) 266-7684	Date 10/16/2009

Fiscal Estimate Narratives

DHS 10/16/2009

LRB Number	09-3578/1	Introduction Number	AB-0462	Estimate Type	Original
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires more frequent criminal history searches in Department of Justice (DOJ) databases and caregiver background check searches through the Department of Health Services (DHS).

Under this bill, the Department of Children and Families (DCF), county departments, a contracting agency or school boards must perform searches of childcare providers every 3 months and nonclient residents and caregivers under 18 every year, rather than every four years. In addition, childcare providers must conduct searches for the staff every year rather than every four years.

The cost of these background checks is borne by the agency or the childcare provider requesting the check. The costs of the background checks vary as to the type of provider and whether the caregiver background check is requested on the internet or by mail or fax. If a background check is requested by a non-profit agency or a government agency via internet, the cost for the combined DOJ criminal history check and the DHS caregiver background check is \$10. Any other child care provider would pay \$16.00. If the request is submitted by fax or mail, the cost is \$15 for non-profit or government agencies. Any other day care provider would pay \$21 for each check. In each circumstance, DHS receives \$2.75 of the fee, which is deposited in s. 20.435(6)(jm) and used to support the cost of the automated system that processes search requests. The fee is waived for state agencies.

The Department of Children and Families (DCF) states there are currently 8,500 licensed and certified providers in the state. Of these providers, 2,600 are county providers. Under this bill, provider background searches will increase from once every 4 years to 4 searches per year. In addition, this bill would require providers to conduct a criminal history check on all nonclient residents or caregivers each year. Currently, approximately 1,950 background checks are conducted annually for county providers. The number of searches would be expected to increase by 13,650 per year for the providers.

In addition to increasing the number of background searches for providers, background searches on employees will increase from once every four years to once each year. DCF estimates the number of searches will increase from 5,313 per year to 21,250 per year, a net increase of 15,937 searches.

If this bill is passed, DHS would expect to process an additional 29,587 background searches per year for which DHS will receive fee revenues with an estimated increase in revenue of \$81,400 annually.

Caregiver background checks are processed by DHS through an automated system. Increased costs to DHS would be minimal, mainly for postage and other mailing fees when responding to those persons who request the criminal history check by mail. The \$81,400 in increased revenue will be used to cover those costs and for the ongoing operation of the background check system.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-3578/1		Introduction Number AB-0462	
Description Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes or who is the subject of a pending criminal charge or delinquency petition for committing a serious crime from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$	\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$	\$	
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS	81,400		
SEG/SEG-S			
TOTAL State Revenues	\$81,400	\$	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$81,400	\$	
Agency/Prepared By		Authorized Signature	Date
DHS/ Elaine Velez (608) 266-9363		Andy Forsaith (608) 266-7684	10/16/2009